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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK

3 UNITED STATES OF AMERICA,

4 v.

11 CR 1068 (PKC)

5 LEIB GLANZ,

6 Defendant.

7 -----x

8 New York, N.Y.  
9 February 28, 2013  
2:25 p.m.

10 Before:

11 HON. P. KEVIN CASTEL,

12 District Judge

13  
14 APPEARANCES

15 PREET BHARARA,

16 United States Attorney for the  
Southern District of New York

17 JUSTIN ANDERSON

Assistant United States Attorney

18 COVINGTON & BURLING LLP

19 Attorneys for Defendant

20 ALAN VINEGARD

MARY BONTUIS

21 ALSO PRESENT: ROBYN MICHAELSON, USAO Intern

D2skglas

(In open court)

THE DEPUTY CLERK: United States of America versus Leib Glanz. Government ready?

MR. ANDERSON: Yes. Justin Anderson for the government. I'm joined at counsel table by Robyn Michaelson, who is an intern at the office and a student at Fordham. Good afternoon, your Honor.

THE COURT: Good afternoon to both of you.

THE DEPUTY CLERK: For the defendant?

MR. VINEGRAD: Alan Vinegrad and Mary Bonthuis for the defendant.

THE COURT: Good afternoon. Always good to see you, Mr. Vinegrad. And good afternoon, Mr. Glanz.

Mr. Vinegrad, what I want to do is go through the materials that I have, and the question that I will be asking you is whether I have everything I should have.

I have a presentence report, recommendation and addendum approved by probation on January 15th, 2013; I have a letter from you dated January 11, 2013, regarding the issue of redactions; I have a memorandum from you dated January 11, 2013; and I have an exhibit volume with 79 exhibits to it, which came with the January 11 submission; I also have a February 25th, 2013 letter from you with attachments.

Do I have everything I should have on the subject of sentencing?

D2skglas

1 MR. VINEGRAD: Yes, sir.

2 THE COURT: Has the defendant in fact read, reviewed  
3 and discussed with you the presentence report, recommendation  
4 and addendum?

5 MR. VINEGRAD: Yes, he has.

6 THE COURT: From the government's standpoint, do I  
7 have everything I should have on the subject of sentence?

8 MR. ANDERSON: Yes, your Honor.

9 THE COURT: Mr. Vinegrad, does the defendant have any  
10 objections to the facts set forth in the presentence report?

11 MR. VINEGRAD: No, your Honor.

12 THE COURT: Does the government have any objections to  
13 the facts set forth in the presentence report?

14 MR. ANDERSON: No, your Honor.

15 THE COURT: I adopt as my findings of fact the facts  
16 set forth in the presentence report.

17 With regard to the guideline calculation in the  
18 presentence report, does the defendant have any objections to  
19 the guideline calculation?

20 MR. VINEGRAD: No, we do not.

21 THE COURT: Same question for the government?

22 MR. ANDERSON: No, Judge.

23 THE COURT: Based upon my independent review, I  
24 conclude that the guidelines were correctly calculated.

25 I'm going to give Mr. Vinegrad an opportunity to

D2skglas

1 speak, and then I'm going to give Mr. Glanz an opportunity to  
2 speak, and finally the government can speak. But what I want  
3 the government to do first is, I want the government to lay out  
4 the structure of the offense, how it worked, where the money  
5 went, who was the beneficiary of the money, and what the  
6 government's understanding of the defendant's role with the  
7 landlord at the time -- I understand the defendant was the  
8 tenant but also had a role with the landlord. So if you could  
9 outline the role in the offense, I think it might give  
10 Mr. Vinegrad an opportunity to see if he agrees or not, and it  
11 will also frame the discussion.

12 MR. ANDERSON: Your Honor, in the mid-'90s, the  
13 defendant's brother, Menashe Glanz, who was before the Court  
14 last week, had been receiving Section 8 housing benefits for a  
15 number of years, but he apparently needed to move to a bigger  
16 house and moved into a home that was not eligible for Section 8  
17 housing benefits. So at that point, in the mid-'90s -- this  
18 was '95 or '96 -- he asked his brother to use the house that  
19 his brother was living in as the residence for which Section 8  
20 housing benefits would be obtained.

21 THE COURT: Wait. I've lost you at that point.  
22 Menashe asked Leib if what?

23 MR. ANDERSON: If he could use his address.

24 THE COURT: Use Leib's address?

25 MR. ANDERSON: Right, which is a Section 8-eligible

D2skglas

1 apartment in an application to receive Section 8 housing  
2 benefits because the apartment Menashe was living in at the  
3 time was moving to at the time, was not itself eligible for  
4 Section 8 housing benefits. So in order to continue to receive  
5 the benefits, he used his brother's address on the  
6 applications.

7 Now, that was 1996. The landlord for the apartment  
8 where the defendant, Leib Glanz, lived, and continues to live,  
9 was UTA. And the defendant also worked at UTA as the executive  
10 director...

11 THE COURT: The executive director of operations, was  
12 it?

13 MR. ANDERSON: I believe it was an executive position.  
14 I can't recall the title, but it's to that effect. He was the  
15 administrator of UTA.

16 And among his responsibilities or at least a  
17 responsibility he was able to assume was the approval on behalf  
18 of UTA, the property owner, of the Section 8 housing agreement.  
19 So that's the agreement with the government pursuant to which  
20 the subsidy is paid to the landlord, UTA, for the housing.

21 In this case, it's Menashe's application. The housing  
22 is the apartment where the defendant, Leib Glanz, lived. And  
23 the application was approved by Leib Glanz on behalf of the  
24 landlord, UTA, his employer.

25 THE COURT: And then the checks went where?

D2skglas

1 MR. ANDERSON: To UTA. And it's my understanding that  
2 there was a benefit to Menashe but not to Leib through UTA.

3 THE COURT: And what was that benefit?

4 MR. ANDERSON: I believe it's reduction in tuition for  
5 his children.

6 THE COURT: So the government's theory of the case is  
7 that Leib's employer, the organization of which he was the  
8 executive director, benefited from this scheme?

9 MR. ANDERSON: I'd say his brother benefited from the  
10 scheme more, because the employer was entitled to the tuition  
11 one way or the other, was entitled to be compensated one way or  
12 the other. So the principal beneficiary was Menashe Glanz, but  
13 I take the Court's point, which is, yes, it also allowed the  
14 school to obtain a benefit that it might otherwise not have  
15 been able to obtain directly from Menashe.

16 THE COURT: All right. Thank you.

17 Mr. Vinegrad, this is your opportunity to speak.

18 MR. VINEGRAD: On that issue or generally?

19 THE COURT: Generally, anything; that issue and also  
20 generally.

21 MR. VINEGRAD: Well, let me just start with that, and  
22 then I just really want to address the Court for a couple of  
23 minutes generally.

24 I pretty much concur with counsel's description of the  
25 offense and who financially benefited and who didn't. I guess

D2skglas

1 I would place more emphasis on the portion that my client's  
2 brother benefited, is really where I think all of this came out  
3 as opposed to the school, to the extent that the financial  
4 benefit of the Section 8 subsidy was passed on in the manner  
5 that Mr. Anderson described, to Menashe. But otherwise, I  
6 think the description was a fair one. The point we made in our  
7 correspondence to the Court was that my client's involvement  
8 was limited to that period from the mid-1990s to 2000, when he  
9 left UTA.

10 I will tell your Honor that standing here now  
11 representing Rabbi Glanz in this proceeding is not a place that  
12 I thought I'd ever be. I have known him for over 20 years, and  
13 I have learned more about him and his life history as a result  
14 of this case. And I am hard pressed to think of a person whose  
15 life is more completely devoted to the betterment of others  
16 than he. Whether it be for a relative or a friend or even a  
17 complete stranger, Rabbi Glanz goes out of his way to help  
18 people and oftentimes in extraordinary ways -- welcoming people  
19 to his home for days or weeks or even months or years at a  
20 time, providing medical help and comfort to the sick and the  
21 injured and the dying, helping to provide sustenance and  
22 support to the needy, helping people cope with some of the most  
23 serious and personal and heart-wrenching crises and tragedies  
24 of their lives, giving his time and his energy and his heart to  
25 improving the lives of other people, and devoting himself day

D2skglas

1 in and day out for many, many years to the care of his wife,  
2 who depends heavily on him for both physical and emotional  
3 support in ways that are described in the letters we've  
4 submitted to your Honor.

5           These are not the good deeds of an ordinary defendant  
6 or an ordinary person. I submit they are truly breathtaking in  
7 scope and in degree. In fact, it is no overstatement to say  
8 that Rabbi Glanz, during the course of his life, has literally  
9 helped save the lives of countless other people. This history  
10 of conduct that I have described defines him as a person. It  
11 is the essence of who he is, which is why it's so surprising,  
12 and for the rabbi so painful, that he appears in this courtroom  
13 before your Honor today. He understands very well that by  
14 doing what he did, he failed himself and others, and through  
15 his conduct in this case, in this prosecution, he has tried, as  
16 best as he can, to make amends for that.

17           The probation department correctly, in our view, has  
18 recommended a sentence of probation and a fine. And what's  
19 noteworthy about that, your Honor, is, they made that  
20 recommendation without knowledge of the truly extraordinary  
21 things that Rabbi Glanz has done throughout his life -- things  
22 that are described in detail in the dozens of letters that we  
23 have submitted to this Court. No departure and no variance is  
24 required in this case to impose that sentence, although the  
25 facts, I submit, would certainly justify that.



D2skglas

1           And so, your Honor, I respectfully request that, based  
2           on the nature of the offense of conviction, the rabbi's  
3           acceptance of responsibility, the guideline range, his lack of  
4           a prior record or risk of recidivism, his truly exceptional  
5           lifelong history of charitable deeds and good works, his  
6           unusual family responsibilities, particularly to his wife, and  
7           in light of the acute shame and public humiliation that he  
8           already has suffered and will continue to suffer, I submit that  
9           a sentence of probation reflects an appropriate balancing of  
10          the factors that your Honor is required to consider in imposing  
11          a sentence. And, thus, I ask your Honor to impose that  
12          sentence in this case.

13           THE COURT: Thank you, Mr. Vinegrad.

14          Leib Glanz, this is your opportunity to addressing the  
15          Court directly, to bring to my attention any facts or  
16          circumstances that you believe I should take account of in  
17          passing sentence upon you today. If there's anything you wish  
18          to say, this is the time to say it.

19           You can do it from your seat, sir. You can stand if  
20          you are more comfortable, that's fine, but you can do it from  
21          there. Thank you.

22           THE DEFENDANT: Your Honor, all my life -- all my life  
23          I have tried to do only what's good. I have tried to help  
24          many, many people, but in this case I have not lived up to my  
25          standard. I said yes when I should have said no. By doing

D2skglas

1 that, I have failed myself, I have failed many people. I know  
2 that even when this case is over, I will have to live with my  
3 pain and with the embarrassment that I have caused with what I  
4 did. I truly am sorry for what I did, your Honor. I take  
5 responsibility for what I did, and I can assure your Honor that  
6 I have learned my lesson for a long time. I thank you and may  
7 God bless you.

8 THE COURT: Thank you.

9 This is the government's opportunity to speak if it  
10 wishes.

11 MR. ANDERSON: Your Honor, unless the Court has any  
12 questions, I don't have anything further to add.

13 THE COURT: All right.

14 This is the Court's statement of reasons for the  
15 sentence to be imposed on Defendant Leib Glanz: In sentencing  
16 the defendant, I have considered each of the materials that I  
17 referenced at the outset, including the volume of letters,  
18 which quite notably had a very touching letter, which amounted  
19 to something of a short overview of the life history of the  
20 defendant's father, which I found of particular interest, and  
21 many instances of letters from people for whom the defendant  
22 did good deeds, charitable deeds, charitable works. There is a  
23 letter, a thoughtful letter, of support from the Grand Rabbi of  
24 Satmar, which I have noted.

25 I have considered Mr. Vinegrad's very thoughtful

D2skglas

1 written comments and oral comments today, and I have considered  
2 the sincere statement of the defendant as well as the  
3 government's overview of the offense. I've considered each of  
4 the factors set forth in the sentencing statute, which is known  
5 as Section 3553(a). I've considered each of the factors, even  
6 though I will not recount each of them in my discussion here  
7 this afternoon, although I may comment on some of that.

8 With regard to the nature and circumstances of the  
9 offense, the defendant has pled guilty to the following: From  
10 January 18, 1996 through June 7, 2000, Leib Glanz made false  
11 statements to the U.S. Department of Housing and Urban  
12 Development regarding the contracts for federal housing  
13 subsidies in connection with a scheme to fraudulently obtain  
14 approximately \$36,000 in such subsidies.

15 The manner in which the scheme operated was described  
16 by the government this afternoon and is set forth in paragraphs  
17 16 and 17 of the presentence report. During the period of the  
18 offense, the defendant was the executive director of the United  
19 Talmudical Academy in Brooklyn -- UTA -- and during that time  
20 period he signed three contracts with the New York City Housing  
21 Authority, which administered the Section 8 housing assistance  
22 program.

23 The contracts stated that the payments would be made  
24 to UTA on the basis that his brother, Menashe, and his family  
25 were tenants of the apartment owned by UTA, and that statement

D2skglas

1 was false. And Mr. Glanz knew it was false because he knew his  
2 brother and his brother's family were not tenants in that  
3 apartment.

4 I've considered the history and characteristics of the  
5 defendant. The defendant is 54 years of age, married, well  
6 educated, and a person who has rendered many good deeds to  
7 members of his community and also to persons outside his  
8 community. He suffers from high blood pressure and diabetes.  
9 And he grew up in a courageous family and studied hard to get  
10 to where he rose, as an ordained rabbi. From 2000 to 2009, he  
11 was employed as an administrative chaplain by the New York City  
12 Department of Corrections.

13 I've considered the need to impose just punishment to  
14 deter this defendant from further crimes and to deter others  
15 from similar crimes. In this instance, I do not believe that  
16 this defendant will reoffend, so I don't put much weight on the  
17 need to protect the public from further crimes of this  
18 defendant in order to deter this man from committing this crime  
19 again. But there remains the question of just punishment and  
20 deterring others from crimes of this type.

21 Section 8 subsidies are not free money. They exist at  
22 the sufferance of the citizenry and those who pay taxes. The  
23 support for this government program and other government  
24 programs is undermined when there is cheating, stealing, from  
25 the program. That causes people to say, "I do not want to vote

D2skglas

1 for people who will support or continue such programs."

2 Further, it must be understood that if you cheat and  
3 steal in this fashion, or lie in the case of this defendant, to  
4 enable someone else to cheat and steal, that when you're caught  
5 there will be some penalty that you pay -- you have to pay some  
6 kind of a fine, you have to pay some money back -- and then the  
7 score is even. This is a crime, this is worthy of just  
8 punishment, and punishment is intended to sting, to impose  
9 something unpleasant, which causes other persons not to want to  
10 do the deed. It is not a means of simply rolling back the  
11 clock to where one was before the fraud. That can't be done.

12 So my challenge here is to come up with a sentence  
13 which is specific to this individual, which takes into account  
14 the good deeds of his life, his family responsibilities, yet is  
15 sufficient to deter others from crimes of this nature. That's  
16 not an easy task. In sentencing the defendant, I've considered  
17 the policy statements, official commentary, and guidelines of  
18 the United States Sentencing Commission. I recognize that they  
19 only have advisory weight and they are not binding on the  
20 Court. I acknowledge that I have variance discretion.

21 In this case, with a statutory provision which permits  
22 the Court to impose custody of up to one year and a guideline  
23 provision which ranges from zero to six months' imprisonment,  
24 and a fine in the range of 3,000 to 30,000 dollars, I conclude  
25 that a sentence of 45 days' imprisonment, one year supervised

D2skglas

1 release, a fine of \$3,000, and the imposition of a special  
2 assessment of \$25 is sufficient but not greater than necessary  
3 to achieve the purposes of Section 3553(a).

4 Does the defendant or his counsel have any objection  
5 to the Court's proposed sentence or to the statement of reasons  
6 for that sentence?

7 MR. VINEGRAD: Judge, the only thing I would very  
8 respectfully ask the Court, is that particularly in light of  
9 the defendant's, what I think are very unusual, if not unique,  
10 family responsibilities, particularly to his wife, who he  
11 really is the caregiver, and has been day in and day out for  
12 decades, I would respectfully ask your Honor to consider as an  
13 alternative to 45 days' imprisonment, 45 days of home  
14 confinement. Make him a prisoner of his own home. That will  
15 have a severe limitation on this man, whose life is essentially  
16 spent, if not behind a desk from 9:00 to 5:00 but here and  
17 there, running around everywhere, that truly will be making him  
18 a prisoner of his own home, with whatever restrictions attend  
19 that, but will allow him to carry out his unique family  
20 responsibilities in a way that really no one else can. I would  
21 very humbly, respectfully ask your Honor to consider that  
22 alternative.

23 THE COURT: Thank you, Mr. Vinegrad.

24 The Court has carefully considered whether home  
25 confinement in this case, such as home confinement for 45 days,

D2skglas

1 would deter others and amount to just punishment in this case.  
2 And, most respectfully, I do not believe it would. And so I  
3 intend to impose the sentence which I've stated.

4 Does the government have any objections to the Court's  
5 proposed sentence or to the statement of reasons for the  
6 sentence?

7 MR. ANDERSON: No, I do not, your Honor.

8 THE COURT: All right. The defendant will please  
9 stand and I will impose sentence.

10 Leib Glanz, it is the judgment of this Court, that you  
11 are hereby remanded to the custody of the United States Bureau  
12 of Prisons to be imprisoned for 45 days. Following release  
13 from imprisonment, you shall be placed on supervised release  
14 for one year, with the following terms and conditions: You  
15 shall not commit another federal, state or local crime, nor  
16 illegally possess a controlled substance, nor possess a firearm  
17 or destructive device. The mandatory drug testing condition is  
18 suspended based on the Court's determination that you pose a  
19 low risk of future substance abuse. You shall cooperate with  
20 the collection of DNA as directed by the probation officer.  
21 The standard conditions of supervision 1 through 13 are  
22 imposed.

23 You shall report to the nearest probation office  
24 within 72 hours of release from custody, and you may be  
25 supervised in the district of your residence. You shall

D2skglas

1 further pay to the United States a special assessment of \$25,  
2 which shall be due immediately.

3 Based upon consideration of your assets and your  
4 earning ability, a fine of \$3,000 shall be paid in full 90 days  
5 from the date of the judgment.

6 Does the government agree that restitution has already  
7 been fully made in this case and no need for restitution  
8 exists?

9 MR. ANDERSON: I agree, your Honor. Is it worthwhile  
10 noting in the judgment that restitution was ordered and that it  
11 has already been satisfied at the time of sentencing so that  
12 there is a record that restitution was ordered and has been  
13 made?

14 THE COURT: Any objection to that?

15 MR. VINEGRAD: No, your Honor.

16 THE COURT: OK.

17 It is further ordered that the defendant make  
18 restitution payable to the Clerk, U.S. District Court, 500  
19 Pearl Street, for disbursement to New York City Housing  
20 Authority in the amount of \$36,484. The amount of restitution  
21 has been paid as of today.

22 And if I didn't say it before -- I think I did, I'll  
23 say it again -- it is further ordered that the defendant shall  
24 pay to the United States a special assessment of \$25, which  
25 shall be due immediately.



D2skglas

1           Mr. Glanz, you have the right to appeal the sentence  
2 that has been imposed on you. If you cannot afford the cost of  
3 an appeal, you may apply for leave to appeal as a poor person.  
4 The time limits for filing a notice of appeal are brief, and  
5 they're strictly enforced. If you request, the Clerk of Court  
6 will prepare and file a notice of appeal on your behalf  
7 immediately.

8           Do you understand all of that?

9           THE DEFENDANT: Yes, your Honor.

10          THE COURT: All right. Please be seated.

11          Is there anything further from the government?

12          MR. ANDERSON: Yes, your Honor. The defendant was  
13 charged in an underlying indictment, which the government now  
14 moves to dismiss.

15          THE COURT: All right. Without objection, that is  
16 granted.

17          And Mr. Vinegrad, do you have a proposal on surrender  
18 date?

19          MR. VINEGRAD: Voluntary surrender, I would suggest 45  
20 days from today.

21          THE COURT: All right.

22          MR. VINEGRAD: With permission to come back to the  
23 Court if by that day there is not a designated institution to  
24 which he can directly report?

25          THE COURT: I don't think there is going to be a

D2skglas

1 designated institution. I don't know but I would think it  
2 would be the MCC or the MDC but I could be wrong about that.

3 MR. VINEGRAD: Understood.

4 THE COURT: So I'm going to direct that the defendant  
5 surrender to the United States Marshal for the Southern  
6 District of New York on or before 2:00 p.m. on Tuesday,  
7 March 16, 2013.

8 MR. VINEGRAD: April?

9 THE COURT: Thank you very much. April 16, 2013,  
10 2:00 p.m.

11 Do you understand that, Mr. Glanz?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: All right.

14 So you must surrender to the United States Marshal for  
15 the Southern District of New York on April 16th at 2:00 p.m. or  
16 before that time, or you will be guilty of a separate crime,  
17 failure to surrender and subject to a penalty of up to five  
18 years in prison and a fine of up to \$250,000 in addition to the  
19 punishment imposed upon you today.

20 Mr. Vinegrad, with regard to the redactions, I think  
21 your proposal is fine, and it is approved. Have you filed the  
22 redacted copy on the docket?

23 MR. VINEGRAD: Yes.

24 THE COURT: All right. I think that's all that is  
25 necessary in this case, then, if you filed the redacted copy.

D2skglas

1           Let me say to the defendant: You have led a good  
2 life. You will continue to live a good life, you will continue  
3 to do good deeds, I strongly suspect, and you will put this  
4 chapter behind you. And I suspect that it is in fact the case  
5 that there is wisdom that has been gained from this experience.

6           I wish you and those around you the very best. We are  
7 adjourned.

8                   \* \* \*